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21 May 1974

MEMORANDUM FOR THE RECORD

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## NSC UNDER SECRETARIES COMMITTEE MEETING, 20 May 1974

Deputy Secretary of State Rush's conference room, Department of State, 1130-1245. Principals present: Deputy Secretary Rush, Deputy Secretary Clements, DCI Colby, Chairman, JCS Admiral Moorer, White House Representative Colonel Kennedy, OMB Representative Barie. Copy of Agenda attached (to CCS copy; DCI has copy).

Deputy Under Secretary Dean Brown made an opening statement for State which represented a major retreat from the proposals State had circulated before the meeting on (1) extension of OPRED, and (2) continuation of Defense Attache office in Malawi. On OPRED his proposals are summarized on Page 11 of Tab A of attached (to CCS copy; DCI has copy) paper distributed by State. Essentially, OPRED should be renamed (omitting "reduction"), intraregional moves should be made easier, the whole procedure should be made more informal and more cooperative, reporting should be less frequent, and Defense (and CIA if we wish) should be an equal partner in setting up new operating rules.

On Brown said that in light of the Portuguese coup the present attache should be replaced, but the whole matter re-examined after six months.

Responding, Dep.Sec. Clements said OPRED had outlived its usefulness and he described rather colorfully the emotional feeling in Defense that State used OPRED to run Defense matters regarding which State has no substantive competence. On \_\_\_\_\_\_ he rejected the six-months compromise stating that Defense had made a determination that it needed an attache in Blantyre before the Portuguese coup took place.

Dep.Sec. Rush said he would accept the charge that OPRED had become cumbersome and sometimes obstructive. He was willing to make a whole new start and wanted inter-agency cooperation both in planning and executing the new system, with a new name.

The DCI, speaking on said the attache office had been unproductive from the intelligence point of view

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but he recognized the fact that Defense had military representation requirements which they were in the best position to determine. He said that the Portuguese coup was in fact relevant to the intelligence requirement, although it was too early to make a final judgment on whether because of this development the production would become important. He suggested that as State agreed to the replacement of the attache, and that as all overseas representatives could be recalled at any time anyway, the extension be "indefinite" rather than for six months. This position on Malawi was eventually agreed to by all present.

On OPRED continuation the DCI expressed an interest in continuing ceiling controls to prevent creeping upward, but expressed dissatisfaction with the lack of flexibility in the present OPRED mechanism.

OMB representative Barie said OMB preferred that some OPRED like mechanism continue independently of OMB, which did not want to assume the responsibility.

Replying, Chairman Rush said the only alternative to something like OPRED was to give the full authority to the Ambassadors, subject only to the control of the Department of State. He suggested that all agencies represented agree to try to come up with a new name and a new set of more flexible rules that would promote a more cooperative mode of operation. All present agreed to give this approach a try. No action was specifically assigned and no specific decision taken except on the Malawi attache question.

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